

Rate System Overview

Department of Developmental
Disabilities

Presentation

- Brief History
- Reasons for adopting a rate-based methodology
- Provider Input
- Rates – Where we started and where we are today

Brief History

- DDS has used a waiver to help finance community living arrangements and day services since 1986 as an alternative to ICF/MR
- Over time, millions of dollars of service were being delivered without taking advantage of federal reimbursement offered under the waiver

Brief History

- A number of DDS events converged that influenced the move to a new system:
 - 2000 Waiting List Focus Team Report
 - Self determination took hold in CT
 - ARC/CT Waiting List Lawsuit settlement in 2005
 - Governor and Legislature Waiting List Initiative began in 2005
 - New CMS guidelines published in 2005

Brief History

- DDS was approved for the Individual and Family Support (IFS) Waiver and the Comprehensive Waiver in 2005
- All individuals enrolled in the original DDS waiver were enrolled into either the Comprehensive or IFS Waiver on October 5, 2005
- Fee For Service Rates were developed for the new waivers

Factors that lead CT to move to a rate based system

- Individual's Mobility through the system was hindered by variable funding
- Choice/Portability was more difficult
- Portability to a more expensive program cost DDS additional money
- Unused Capacity
- Wage disparity among providers
- Turnover
- Impact on Quality of Care

Provider Input into the Process

- Provider Council began discussing the new waivers and the effect on providers since 2004
- Waiver Work Group- A subgroup of the Provider Council was formed on April 1, 2005 to review the rate methodology for the IFS Waiver and begin discussing the CLA rates

Fee for Service Rates

Where We Were

- The Initial Fee for Service Rates were effective in April 2005
- The rate methodology was based around the direct care salary with adjustments for supervision, benefits, indirect expense and administrative and general costs
- The initial rate methodology used one hourly rate for each service
- Providers bill for each hour of service

Fee for Service Rates Where We Were

- From the recommendation of the Waiver Work group, the initial rates were recalculated to account for higher supervision and a lower utilization rate effective on July 1, 2005
- Additional changes were made to the original approach:
 - Staffing Modifier was added
 - Transportation was changed from one way to a round trip
 - Added a Handicapped accessible transportation rate
 - Summer camp was added as a service that can utilize respite rates based on LON
 - Added a mechanism to fund an additional staff for transportation needs
 - Added a 2 person rate for Out of Home Respite

Fee for Service Rates Where We Were

- A revised rate methodology was developed in 2007 to utilize the Level Of Need to determine staffing levels
- DDS asked provider to complete a rate analysis on the new rates
- The lesson learned from the rate analysis was the need for multiple rates to reduce the size of the gap in funding between each rate

Fee for Service Rates Where We Are

- A new rate system incorporating the original methodology has been developed
- The rates are based on each individual's Level of Need
- The rates for group day programs are an all inclusive per diem rate that include transportation and staffing enhancements
- The rates for GSE and DSO are the same
- The former Supported Living service has been split into Individualized Home Supports (intermittent supports) and Continuous Residential Supports (24 hour SL)
- A new web based attendance reporting system has been developed for Medicaid reporting and to simplify the billing for providers